

August 18, 2011

California Energy Commission
Docket Office, MS-4
Re: Docket #11-IEP-1F Efficiency
1516 Ninth Street
Sacramento, CA 95814-5512
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DOCKET

11-IEP-1F

DATE AUG 18 2011

RECD. AUG 18 2011

Re: Joint Utilities Comments on California Energy Commission Staff Report “Draft Staff Report Achieving Cost-Effective Energy Efficiency for California 2011-2020”, July 2011
Publication number -- CEC-200-2011-007-S

To Whom It May Concern:

Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), Southern California Edison Company (SCE) and Southern California Gas Company (SCG) (referred to as “Joint Utilities”) appreciate the opportunity to provide the following brief comments and recommendations on the “Draft Staff Report Achieving Cost-Effective Energy Efficiency for California 2011-2020” (Report) that was discussed at the August 11, 2011 CEC workshop for the CEC’s consideration.

Table 1 (at page 2) provides erroneous data on the Joint Utilities’ 2009 Performance.

Table-1 on page 2 of the Report erroneously reports the IOU 2009 program savings. The 2009 values shown in the Report table approximately represent the cumulative totals from the CPUC-ED evaluation reports for the years 2006-2009.¹ For comparison purposes the Report should only use the 2009 energy savings available from the utilities 2009 Annual Reports posted on the California Public Utilities Commission's website.² The corrected numbers are provided in the table below:

	IOUs	
	2009	2010
GWH	3,770	4,610
MW	700	839
Therms	53	45
Expenditures (\$Millions)*	\$737	\$759

*These expenditures include EM&V reported costs.

With these updates to the 2009 information, the Joint IOUs performance shows an increase in the electric savings from 2009 to 2010 by approximately 20% while expenditures increased by only 2%.

The Joint Utilities Strongly Recommend That the Report Provide Adequate Context Regarding the controversial Nature of the 2006-2008 Evaluation, Measurement & Verification (EM&V) Report Results.

The Report (at page 1) states:

" However, measurement and verification studies completed on 2006–2008 programs found that verified efficiency program savings were substantially less than reported. The IOUs reported achieving

¹ The 2009 savings are on Table 1 of "Energy Efficiency Evaluation Report for the 2009 Bridge Funding Period available on <http://www.cpuc.ca.gov/NR/rdonlyres/D66CCF63-5786-49C7-B250-00675D91953C/0/EEEvaluationReportforthe2009BFPeriod.pdf>

The 2006-2008 savings are on Table 1 of "2006-2008 Energy Efficiency Evaluation Report available on <ftp://ftp.cpuc.ca.gov/gopher-data/energy%20efficiency/2006-2008%20Energy%20Efficiency%20Evaluation%20Report%20-%20ES.pdf>

² The Joint Utilities 2009 Annual Reports are available on <http://eega2006.cpuc.ca.gov/DisplayAnnualReport.aspx>

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151 percent of their energy savings goals during 2009; however, the evaluation report indicated that the utilities achieved 83 percent of their goals for that period."

This statement is inaccurate and should be corrected as follows:

" The CPUC's 2009 Energy Efficiency Report for the 2009 Bridge Funding Period confirms that the IOUs verified savings exceeded the electric energy savings goals. Specifically, the IOUs exceeded the GWH goal by 141% and the MW goal by 104%. The IOUs achieved 63% of their natural gas goal."

In addition, the results from these EM&V studies have strongly been debated at the Public Utilities Commission with no final determination as to the validity of these study results. Stakeholders, other than the Joint Utilities, have provided comments regarding the reliability of these studies and therefore this fact should be mentioned to provide a complete picture of these comparisons of data from different data sources.

The Joint Utilities Recommend That the Report Clarify That the Information Provided in Appendix B Table B-1 Are Cumulative Numbers And Not Annual Data.

The Appendix does not provide an explanation of whether the information provided is annual or cumulative. The single year labels (e.g., 2006) imply that the information is annual. However, upon closer scrutiny, the information is actually cumulative. For example, 2007 data is actually the sum of 2006 and the 2007 annual data. The 2010 data represents the cumulative information from 2006 to 2010. Therefore the Joint Utilities recommend that the Report clarify that the information provided in Appendix B Table B-1 are cumulative numbers and not annual data.

If you have any questions or need additional information about these written comments, please contact Manuel Alvarez at (916) 441-2369, Mark Krausse at (916) 386-5709 or Tamara Rasberry at (916) 492-4252.

Very truly yours,

/s/ Manuel Alvarez

/s/ Mark Krausse

/s/ Tamara Rasberry

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